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FM AMEMBASSY KUALA LUMPUR
TO RUEHC/SECSTATE WASHDC PRIORITY 3578
INFO RUCNASE/ASEAN MEMBER COLLECTIVE PRIORITY
RUCNIRA/IRAN COLLECTIVE PRIORITY
RUEHBJ/AMEMBASSY BEIJING PRIORITY 2675
RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY
RHHMUNA/HQ USPACOM HONOLULU HI PRIORITY
RHEHNSC/NSC WASHDC PRIORITY

S E C R E T SECTION 01 OF 02 KUALA LUMPUR 000991

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STATE FOR ISN
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STATE FOR NEA
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TREASURY FOR TDORSETT
TREASURY FOR JFOWLER

E.O. 12958: DECL: 12/09/2019

TAGS: [EFIN](#) [ETRD](#) [ETTC](#) [IR](#) [KNNP](#) [MY](#) [PINR](#) [PTER](#)

SUBJECT: MALAYSIA: CIMB BANK ACTIONS AGAINST IRANIAN FRONT COMPANY ACCOUNTS

REF: A. KUALA LUMPUR 917
[¶](#)B. EMAIL DATED 11/25/2009
[¶](#)C. EMAIL DATED 12/3/2009

Classified By: Econcouns Matt Matthews for reasons 1.4 (b) and (d)

[¶](#)1. (S) Summary: Following up on Iran related discussions with visiting Treasury officials last month, Malaysian CIMB Bank VP of Risk Monitoring, Shamsuddin Ali Hussin (Shamsuddin), shared information with econoff on action CIMB has taken against accounts possibly linked to Iranian front companies Evertop Services and Microset Systems. CIMB has curtailed all activity in the accounts and is moving to close them, according to Shamsuddin. CIMB requested USG assistance verifying that the Iranian passport number of the account holder belongs to the individual identified with Iranian proliferation. CIMB also asked for any additional names connected to Evertop or Microset for possible further action by CIMB (see action request Paragraph 6). End Summary.

[¶](#)2. (S) Comment: Shamsuddin (protect) was very cooperative, desirous of assisting in efforts to curtail potentially illicit proliferation activity in CIMB accounts, and willing to share information. He seemed interested in helping, but would only reveal account generalities rather than specific details on account transactions connected to Iran. He mentioned several times that he was revealing more details than he should. End Comment.

[¶](#)3. (S) At a November 5 meeting at Bank Negara (BN), Treasury Assistant Director Jennifer Fowler delivered the names of two companies suspected of Iran related proliferation activities to Malaysian CIMB Bank Vice President of Risk Monitoring, Shamsuddin Ali Hussin (Shamsuddin)(ref A). Shamsuddin contacted econoff after business hours on Friday, Nov 20 regarding an individual account they suspected was connected to one of the company names passed to CIMB by Treasury. Shamsuddin said that CIMB did not have any accounts directly with Evertop Services, however they had a suspicious account with Majid KAKAVAND (Iran passport number U11234690) they thought may be connected to Evertop. Econoff subsequently verified with BN Financial Intelligence Unit (FIU) Manager Abdul Rahman Abu Bakar that FIU was aware of the account and contacted Treasury requesting further guidance (ref B).

[¶](#)4. (S) In a December 3 telephone conversation with econoff, Shamsuddin shared additional information on the Kakavand

account and new information on CIMB accounts with Microset Systems. CIMB had googled Evertop Services and accessed a Bloomberg story to make the connection between Evertop and Kakavand on their own. According to Shamsuddin, Kakavand has a Ringgit-based (local currency) account in a KL branch.

(Note: All foreign fund transfers to Ringgit accounts must be converted from foreign currency to Ringgits upon arrival.)

End Note.) The account has been open for over two years and was highly active until Treasury identified Evertop to CIMB. CIMB has cut off the account activity and is moving to close it. The account now carries only a small balance.

Transaction sizes were mostly below US\$10,000. The most frequent destination of funds was China. Shamsuddin had no information on sources of funds to the account, but said he would check.

¶15. (S) On Microset Systems, Shamsuddin said it has three accounts with CIMB, one Ringgit account and two hard currency accounts. (Note: Hard currency accounts can accept deposits, hold funds and transfer funds in foreign currency. End Note.) CIMB has curtailed activity on all three accounts and is moving to close them. The accounts were opened at a KL branch over two years ago. The accounts were highly active until they were curtailed, with average transaction sizes in the US\$20-30,000 range. The accounts were opened by a Board resolution from Microset's Malaysian Directors with a disclosure that the accounts would be operated by Iranian nationals. Shamsuddin had seen the Microset account statements but could not remember any details. Econoff reported the conversation to Treasury (ref C) and will contact Shamsuddin for further details on funds sources and

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destinations.

¶16. (S) Action Request: During the December 3 phone conversation, CIMB's Shamsuddin requested that the U.S. confirm that the Majid Kakavand identified with the passport information provided by CIMB is the same person that is connected to Evertop and is in custody in France. Shamsuddin said that Majid Kakavand is a sufficiently common Muslim name that CIMB wants to be sure that they are closing an account connected to proliferation. Shamsuddin also requested release of any additional names they should look out for connected with Evertop and Microset. End Action Request.

KEITH